

Old Age, Disability, Death

First laws: 1908 (old-age and disability pensions) and 1942 (widow's pension).
Current law: 1991.
Type of Program: Dual universal and social assistance system.
Exchange rate: U.S.\$1.00 equals 1.32 Australian dollars (A\$).

Coverage

Residents.

Source of Funds

Insured person: None.
Employer: None.
Government: Entire cost from general revenues.

Qualifying Conditions

Old-age pension: Age 65 (men) or 60 (women), and resident and physically present in country at application. 10 years of continuous residence (5 years if total residence exceeds 10 years); means-tested, unless permanently blind.

Paid abroad if payable before leaving the country; may be reduced. (From July 1, 1995, the pensionable age for women will be raised by six months every two years until it reaches 65 on July 1, 2013).

Disability pension: Age 16 to 65 (for men), 16 to 60 (for women). Minimum 20% level of impairment and an inability to work full time at full wages for the foreseeable future due primarily to a physical or mental impairment, or permanent blindness. Resident and physically present in country at application. If incapacity occurs prior to arrival in Australia, same minimum residence requirements as for old-age pension. If incapacity occurs in Australia, no minimum residence requirement. Means-tested, unless permanently blind.

Paid abroad under specific circumstances; may be reduced. Wife pension (means-tested), paid when both disability pensioner and wife over 21 (unless there are children).

Carer pension (means-tested): Claimant provides substantial care at home to a social security or veteran's income support recipient.

Survivor pension: Widows and widowers with dependent children entitled to parent pension under family allowances program.

Widows without children if age 50 on July 1, 1987, receive widow pensions. Other widows without children, if widowed, separated or divorced after they turn 50, receive widow allowance. Resident and physically present in the country at application. If surviving spouse resides in Australia when death occurs, no minimum residence requirement. Otherwise 5 years continuous residence immediately preceding application or 10 years continuous residence any time. Paid abroad if payable before person leaves country; may be reduced.

Old-Age Benefits

Old age pension (means-tested, except if blind): Up to A\$160.80 a week for singles and A\$268.20 for couples.

Wife pension (means-tested): Up to A\$134.10 a week. Benefits for dependent children paid through family allowances scheme.

Rental assistance (means-tested): Up to A\$43.40 per week, according to marital status and level of rent. Special rules apply to

people who live in retirement villages. Rental assistance for those dependent children is paid through family allowances scheme. Carer pension (means-tested): Up to A\$160.80 a week (A\$134.10 if spouse).

Remote area supplement: A\$8.75 a week (single) or A\$15 a week (couple), plus A\$3.50 per child.

Pharmaceutical allowance: A\$2.60 a week per family.

Telephone allowance: A\$56.00 a year for telephone subscribers.

Adjustment: Adjusted in March and September according to price index.

Permanent Disability Benefits

Disability pension (means-tested, except if blind): Same as old-age pension. Disability pensioners under age 21 may also be eligible for Youth Disability Supplement of A\$34.15 a week.

Wife's pension, rental assistance, carer's pension: Same as under old-age pension (all means-tested).

Remote area supplement: Same as under old-age pension.

Adjustment: Disability pension, carer's pension, and wife's pension adjusted in March and September according to price index.

Survivor Benefits

Rental assistance: (Same as under old-age pension—not available to people under age 21 living with parents).

Survivor pension (means-tested): Same as single old-age pension.

Child's payment through family allowances schemes (means-tested).

Rental assistance (means-tested): Same as under old-age pension.

Bereavement payment: On death of pensioner, 14 weeks' pension payable to surviving spouse, child (if deceased pensioner a single parent), or carer. On death of single pensioner, 1 pension payment is credited to the estate.

Adjustment: Survivor pension adjusted in March and September according to price index.

Administrative Organization

Department of Social Security administers programs through 20 area, 216 regional and over 60 smaller offices.

Sickness and Maternity

First laws: 1944 (cash sickness benefits); 1947 (pharmaceutical benefits); and 1948 (national health program).

Current laws: 1991 (cash benefits); 1953 (medical and hospital benefits); 1973 and 1983 (universal medical and hospital insurance—*Medicare*).

Type of program: Dual social assistance (cash benefits) and universal (medical care) systems.

Coverage

Cash benefits: Gainfully employed persons with limited income, and others meeting qualifying conditions.

Medical benefits: Residents.

Source of Funds

Insured person: Medical benefits, 1.25% levy on income above

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A\$21,366 for couples and sole parents (increased by A\$2,100 per child), or A\$12,688 for single persons without dependents. Exemption from levy for veterans, war widows, and Armed Forces personnel without dependents (half levy if without dependents).

Employer: none

Government: Whole cost of cash benefits and assistance towards a wide-range of drugs under Pharmaceutical Benefits Scheme; rebates for medical, and hospital benefits. Funding is provided for residential and community aged care.

Commonwealth General Revenue Grants and Medicare Grants to States and Territories for public hospital operating costs. Meets approximately 40% to 50% of funding of medical insurance scheme.

Qualifying Conditions

Cash sickness benefits (means-tested): Age 16-64 (men) or 16-59 (women), resident in country. Insured has lost income from sickness, or would be eligible for unemployment benefit, but for sickness.

Medical benefits: Residents.

Pharmaceutical benefit: Residents.

Sickness and Maternity Benefits

Sickness benefit (means-tested): Up to A\$268.20 a week if married with dependent spouse; A\$148.65 if single, aged 21 and no dependents, A\$80.90 if age 18-20 and no dependents; or up to A\$67.25 if single and under age 18 with no dependents; and A\$160.80 if single with dependents.

Benefits for children paid under family allowances scheme Payable after 7-day waiting period for as long as qualified.

Rental assistance (means-tested): Same as under old age pension.

Remote area supplement: Same as under old-age pension.

Adjustment: Sickness benefit for 16-20 year olds without dependents adjusted in January according to price index.

Other benefits adjusted in March and September according to price index.

Workers' Medical Benefits

Medical benefits: Patient pays 15% of schedule fee for outpatient ambulatory care or A\$28.10 whichever is less (indexed annually for price changes).

Pharmaceutical benefit: Most prescribed medicines, with a fee of up to A\$16.20 per prescription. Pensioners, beneficiaries, and low income persons pay A\$2.60 fee per prescription.

Government pays pharmacists.

Hospital benefits: Free standard ward accommodations and treatment by staff doctors in public hospitals.

Private benefit organizations pay for private hospital stay, or public hospital charge for those who choose treatment by their own physician in public hospitals.

Dependents' Medical Benefits

Medical benefits for dependents: Same medical and hospital benefits as head of family. Family membership in private benefit organization also covers dependents.

Administrative Organization

Sickness benefits: Department of Social Security, administration of

program through 20 area and 216 regional offices.

Medical and health benefits: Administered by the Health Insurance Commission, with Commonwealth Department of Human Services and Health setting policy.

Work Injury

First laws: 6 States, from 1902 (Western Australia) to 1918 (Tasmania); Seamen's Compensation 1911; Commonwealth Government employees, 1912; Northern Territory, 1931; Australian Capital Territory, 1946.

Current laws: Queensland, 1990; New South Wales, 1926 and 1987; Tasmania, 1927 and 1988; Australian Capital Territory, 1951; South Australia 1971 and 1986; Commonwealth Government employees, 1981; Western Australia, 1982; Victoria, 1958, 1985 and 1993; and Northern Territory, 1986.

Type of program: Compulsory insurance with public or private carrier.

Coverage

Employed persons; self-employed usually not covered.

Source of Funds

Insured person: None.

Employer: Whole cost, through insurance premiums varying with risk (some employers permitted to act as self-insurers).

Government: None, except as a self-insurer for own employees.

Qualifying Conditions

Work-injury benefits: No minimum qualifying period.

Temporary Disability Benefits

Temporary disability benefit: Varies according to States/Territories. Generally, at least 95% earnings for a minimum of 26 weeks and may be payable for extended period at reduced levels. Dependents' supplements: Where flat-rate benefits are paid, A\$62.99-A\$79.34 for spouse (indexed); A\$29.49-A\$70.80 for each child (indexed).

Maximum benefit: A limit generally applies. It can be in the form of a cap on the weekly benefit payment or an over all lump sum value. In Queensland, A\$71,310 (includes weekly benefits); South Australia, A\$92,300; Tasmania, A\$100,076; and Western Australia, A\$100,729. New South Wales, no maximum; Australian Capital Territory A\$87,364; No waiting period.

Permanent Disability Benefits

Permanent disability pension: Total disability, same as temporary disability benefit.

Dependents' supplements: Same as for temporary disability benefit. Partial disability pension: Amount of earnings lost, subject to limit; lump sum payments for specific injuries.

Lump sum payments for specified permanent injuries up to A\$159,700 and for pain and suffering up to A\$65,700.

Workers' Medical Benefits

Medical benefits: Reasonable cost of medical care, hospitalization,

transportation, nursing care, rehabilitation, etc.
In New South Wales, A\$50,000 maximum for medical, A\$59,000 for hospital treatment; A\$10,000 for ambulance; further amounts if ordered by court. In Western Australia, subject to prescribed monetary limits, dispute resolution body may extend amounts.

Survivor Benefits

Survivor benefit: Lump sum of A\$59,980-A\$225,800 (indexed) plus lump sum of A\$1,000-A\$22,710 for each child (4 States), or weekly payment of A\$24.00-A\$70.80 per child (indexed).
Funeral grant: Reasonable cost of funeral (Queensland, Victoria, Tasmania). Remaining jurisdictions, A\$1,890-A\$4,000.

Administrative Organization

Workmen's Compensation Board or Commission, administers claims in all States (except Australian Capital Territory, Northern Territory, and Western Australia, multi-insurer system with claims administered by insurers) and for Commonwealth employees. Some States still allow common law actions for negligence against an employer.

Unemployment

First law: 1944.
Current law: 1947.
Type of program: Unemployment assistance.

Coverage

Gainfully employed persons (also payable to those not previously gainfully employed who meet qualifying conditions).

Source of Funds

Insured person: None.
Employer: None.
Government: Entire cost from general revenues.

Qualifying Conditions

Unemployment benefits (means-tested): Age 18 to pensionable age 65 (men), 60 (women). Resident in country. Capable and willing to undertake suitable work, steps taken to obtain work, and registered for employment.

Unemployment not due to voluntary act, misconduct, labor dispute, or refusal of suitable offer (benefit may be postponed 2 or more weeks for offenses committed within last 3 year period).

Youth training allowance (YTA): From January 1, 1995, unemployed young people 16 years to 18 years of age will be eligible for YTA rather than Job Search Allowance. YTA will be paid by the Department of Social Security, but administered by the Department of Employment, Education and Training.

Partner allowance (PA): From September 1994, half the allowance paid to a job search allowance recipient is paid directly to the recipient's partner. PA is available to either male or female, who must claim PA in their own right but eligibility will not involve any labor market obligations. This change was introduced in conjunction with abolition of Dependent Spouse Rebate for couples and introduction of Home Child Care Allowance.

From July 1, 1995, PA will only be paid to partners of recipients of Job Search Allowance, Newstart Allowance, Sickness Allowance as well as of pensioners who were born before July 1, 1995, without dependent children and little or no recent work experience. These partners will be activity-tested.

Unemployment Benefits

Unemployment benefit (means-tested): Same as for cash sickness above. Benefits for children paid under family allowances scheme. Payable after 1-week waiting period for as long as qualified.
Rental assistance: Same as for old-age pension.
Remote area supplement: Same as under old-age pension.
Single recipients, under age 25 living with parents, are not eligible for RA.
Remote area supplement: Same as under old-age pension.
Adjustment: Unemployment benefit adjusted in March and September according to price changes (except for single persons under age 21 without dependents).

Administrative Organization

Department of Social Security, administration of program through 20 area and 216 regional offices.
Local offices of Department of Employment Education and Training and local agents receive claims.

Family Allowances

First law: 1941 (family allowances).
Current law: 1992 (family payment), 1991 (orphan's pension), 1991 (child disability allowance), 1991 (sole parent pension)
Type of program: Dual universal and social assistance system.

Coverage

Residents with 1 or more children.

Source of Funds

Insured person: None.
Employer: None.
Government: Entire cost from general revenues.

Qualifying Conditions

Family allowances: Basic family payment. Child must be under age 16 (25 if student). Parent or guardian as well as child (with exceptions) must be residents.

Additional family payment: Persons with dependent children who are in receipt of a pension, benefit or allowance or in low to moderately paid work.

Guardian allowance: Sole parents who are eligible for additional family payment.

Orphan's pension: Both parents dead (or one dead, the other in a hospital or institution indefinitely, in prison for at least 10 years, or whose whereabouts unknown) or refugee children under certain circumstances.

Child disability allowance: Disabled child who requires substantially more care and attention than a child of the same age who is not disabled. Must be cared for at home.

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Sole parent pension: Male or female single parent of child under age 16 or in receipt of child disability allowance. No minimum residence requirement if claimant becomes single parent in Australia, otherwise minimum residence requirement.

Home child care allowance: Member of couple. Child must be under age 16 (25 if student). Will be superseded by parenting allowance on July 1, 1995, higher rates to low income families.

Family Allowance Benefits

Family allowances: Basic family payment (means tested at high level): A\$21.70 a fortnight for 1st-3rd child; A\$28.90 for 4th and each subsequent child. A\$28.90 a fortnight for children in institutions.

Additional family payment (means tested): Up to A\$67.20 a fortnight per child under age 13; A\$94.10 a fortnight per child, 13-15; A\$34.00 a fortnight. Rental assistance up to A\$86.80 a fortnight depending on number of children and level of rent.

Orphan's pension: A\$34.80 a fortnight.

Child disability allowance (not income-tested): A\$69.50 a fortnight per child.

Sole parent's pension: Basic pension remote area supplement, pharmaceutical allowance and telephone allowance, same as under old-age pension. Also eligible for basic and additional family payment.

Home child allowance (means-tested): A\$61.00 a fortnight.

Adjustment: Sole parent pension and rental assistance adjusted in March and September according to price index. Basic family payment, additional family payment, orphan's pension, child disability allowance, guardian's allowance and home child care allowance adjusted in January according to price index.

Administrative Organization

Department of Social Security, administration of program through 20 area, 216 regional and over 60 smaller offices.

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